

MOTION BY SUPERVISOR MICHAEL D. ANTONOVICH

JULY 24, 2012

On March 6, 2012, the Board approved \$1,234,141 in County General Funds for the construction of the Day Street Apartments (Project), a 46-unit affordable housing project targeting homeless adults and veterans. Of these funds, \$1,200,000 was to be a Grant to L.A. Family Housing for construction costs related to the Project, and \$34,141 was to be retained by the Commission for administrative costs. The allocation consisted of \$858,587 in Homeless and Housing Program Funds – City and Community Programs (HHPF-CCP) and \$375,554 in Homeless Service Center Funds (HSCF). The HHPF-CCP funds were originally allocated to the Nehemiah Court project in Pasadena, which has since been cancelled.

Due to the size of this allocation, it is preferable that the funds be structured as a Loan rather than a Grant so that the funds can be secured by a Deed of Trust. The Commission recommends that the funding be structured as a loan that is forgivable after seven years provided that the Project continues to operate as a 46-unit affordable housing project, reserving at least 37 units for homeless households. This is consistent with the terms of other loans made under the HHPF-CCP program. The loan would be evidenced by a Promissory Note and secured by a Deed of Trust.

Additionally, Nehemiah Court was awarded \$102,685 in HHPF-CCP funding for supportive services. Since these funds are now available, the Commission recommends that this funding also be reallocated to the Day Street project to enhance the range of supportive services available to residents. This award will be contingent on the funding for the Project in an amount up to \$1,336,826; \$1,200,000 for construction, \$102,685 for supportive services, and \$34,141 for Commission administrative costs.

- M O R E -

MOTION

MOLINA	_____
RIDLEY-THOMAS	_____
KNABE	_____
ANTONOVICH	_____
YAROSLAVSKY	_____

I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS, ACTING AS THE COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION:

1. Authorize the Executive Director or his designee to execute, amend, and if necessary, terminate, a Loan Agreement and any related documents necessary to loan up to \$1,200,000 to L.A. Family Housing for construction costs related to the development of the Project.
2. Authorize the Executive Director or his designee to reprogram up to \$102,685 in HHPF-CCP funds from the Nehemiah Court project to provide supportive services for the Project.
3. Authorize the Executive Director or his designee to execute, amend, and if necessary, terminate, an HHPF-CCP services contract and any related documents necessary to transfer up to \$102,685 in HHPF-CCP supportive services funds to L.A. Family Housing.
4. Authorize the Executive Director or his designee to incorporate up to \$961,272 in HHPF-CCP and up to \$375,554 in HSCF into the Commission's approved FY 2012-2013 Budget, as needed, for the purposes described herein.
5. Find that these funding actions are not subject to the provisions of the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.

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